

Consistent with the commitment it made to shareholders in March 2017, TD's board of directors has continued the dialogue it began prior to the annual meeting with stakeholders to consider how best to give effect to an enhanced regime for proxy access for TD. As part of the board's commitment to leadership in corporate governance, the board seeks to maintain an open dialogue with our shareholders and other stakeholders and values their participation.

TD's board of directors has responded to shareholders' feedback by adopting a [new proxy access policy](#) for the bank, effective immediately, under which qualifying shareholders may submit one or more director nominations to be included in the bank's proxy circular and form of proxy and ballot for any annual meeting.

The key elements of the new proxy access policy are:

- One or more nominating shareholders must collectively meet an ownership threshold of 5% of the common shares of TD
- Common shares equal to the minimum ownership threshold must have been held by the nominating shareholder, or each member of the group, continuously for at least three years and the nominating shareholder(s) must have full voting and economic rights in the shares
- The nominating shareholder group may not be larger than 20 shareholders, with funds under common management generally counting as one shareholder
- The number of proxy access nominees in the proxy circular for a shareholders' meeting may not exceed 20% of the board size

Under the terms of the proxy access policy, TD will include the names of the persons nominated by shareholders in its proxy circular in a manner that clearly sets out the choices available to shareholders and the board's recommendation. The names of the proxy access nominees will also be included in TD's form of proxy and ballot, on the same or next page as the nominees recommended by TD's board, separated and labeled with the board's recommendation. In addition, TD will include a statement by the nominating shareholder(s) in the proxy circular in support of the election of the proxy access nominees of up to 500 words, plus biographical information about the proxy access nominees required to be included in the proxy circular.

The ownership threshold of 5% of common shares of the bank that is contained in TD's proxy access policy is the minimum threshold currently permitted by the Bank Act. A lower ownership threshold of 3% of common shares is prevalent in the form of proxy access adopted by companies in the U.S. and is preferred by some of TD's stakeholders in Canada. Along with another major Canadian bank, TD has proposed changes to the Bank Act in a [letter to the Minister of Finance \(Canada\)](#). If and when the proposed legislative changes outlined in the letter are made, TD's board of directors intends to lower the minimum ownership threshold in the bank's proxy access policy to 3% instead of 5%.

By choosing to adopt proxy access as a policy rather than as a by-law provision, TD is able to implement proxy access with effect for its next annual meeting, without losing flexibility to keep current with new developments, such as changes that would result from an amendment to applicable law.

Shareholders with questions can contact TD's Shareholder Relations Department at tdshinfo@td.com. Any inquiries addressed to the board and expressing an interest in communicating with the independent directors will be provided to the board chair. For other inquiries: Alison Ford, TD Bank Group, 416/982-5401, Alison.Ford@td.com